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TAGS: PGOV ECON EC

SUBJECT: COASTAL PARTIES PREPARE FOR APRIL 2009 ELECTIONS

Classified By: Consul General Douglas Griffiths for reasons 1.4 (b) and (d)

¶1. (C) Summary: The announcement that national and local elections will be held in Ecuador on April 26 has spurred Coastal opposition parties to further their preparations to confront President Correa's movement. The Coastal parties are displaying unusual signs of cooperation in trying to craft a unified approach to win important local offices, and ensure opposition seats in the national legislature.

Guayaquil mayor Jaime Nebot is quietly leading informal meetings of parties and movements, cajoling political figures to work together. Party leaders are relatively optimistic that economic problems and the unrealistic expectations built up by Correa in past elections will provide the opposition enough space to win local and legislative elections. The opposition is still looking for what some call a "sacrificial lamb" to oppose the charismatic Correa in the presidential elections. End Summary.

Guayaquil Mayor Nebot Leading Opposition Efforts

¶2. (C) Guayaquil Mayor Jaime Nebot has chaired a number of meetings of Coastal political leaders to come up with a strategy to weaken the President's PAIS (Proud and Sovereign Fatherland Movement) movement's electoral juggernaut.

Buoyed by his success in defeating the government in the referendum on the Constitution (though just barely), Nebot has been telling leaders that if they unite behind consensus candidates, they have a chance of defeating PAIS in key elections, while ensuring a substantial block in the national parliament. Nebot recently told the Consul General that the late date for the election (April 26 vice an expected mid-February date) is a dream scenario for the opposition.

Nebot also believes that the dramatic fall in oil revenue and decrease in remittances will weaken the President's popularity. Finally, Nebot insisted that Correa's personality will work against him. With economic problems, political scandals and the difficulty of governing, Nebot predicts that Correa will lash out more frequently, and eventually exhaust the electorate.

¶3. (C) Nebot will run as an independent candidate; however, he remains the de facto leader of the Social Christian Party (PSC). PSC leader Pascual del Cioppo has repeatedly told us that he works very closely with Nebot and follows his instructions to the letter. Del Cioppo affirms that he has no personal political aspirations and took over the leadership under Nebot's urgings. In a recent meeting, del Cioppo told the CG that his party has taken the lead on running analyses of the best scenarios for the opposition. While the PSC had once considered dissolving itself to form a large, inclusive center-right party untainted by charges of corruption and unchecked political power, new campaign limits make such a strategy unwise. Political campaigns will now be funded by the government with relatively small amounts of money available depending on the size of the electorate. (Candidates for prefect in populous provinces such as Guayas will receive more than candidates in smaller provinces.) In such a situation, established party brand names and the

number the party gets on the ballot are worth too much to throw away. Del Cioppo said that the party's decision to "lie low" and focus on new faces is successfully rehabilitating its brand, and the party has begun polling much more positively. Del Cioppo said that the party is going into the elections with "no pride." Their top priority is supporting Mayor Nebot's re-election. In other municipalities, they will support whichever opposition candidate has the best poll numbers in February. They are unlikely to run a candidate for prefect of Guayas Province; instead, they will support a consensus opposition candidate. Del Cioppo said that they were still analyzing the best way to compete in legislative elections, but promised that they would put a priority on trying to keep the opposition together.

Center-Right Movements and Parties Fall In Behind Nebot

¶4. (C) The leaders of center-right political movements are also very involved in these negotiations. Eduardo Maruri, a founder of the UNO movement, and a delegate to the Constituent Assembly, said that he would sit out the elections as a candidate, but would work strongly to support the opposition slate. (Maruri had hoped to use his Presidency of Ecuador's fabled Barcelona soccer team -- think of the NY Yankees in a long slump -- to propel his political career. Despite a \$10 million capital investment, Barcelona was left out of the playoffs again, leaving embittered fans, and Maruri's political career on ice.) Maruri said that Mae Montana, an Afro-Ecuadorian politician from Esmeraldas province, who won a seat at the National Assembly on the UNO ticket, would be running for President under a different political movement.

¶5. (C) Humberto Mata, President of the centrist Fuerza Ecuador movement, told the CG that his movement would also strongly support concerted efforts by the opposition to forge a strategy for the April elections. Mata termed the current PAIS dominance of the branches of government "dangerous for democracy." Mata said that he had never seen political party leaders more willing to cooperate with each other. He was "cautiously optimistic" that the opposition's determination would hold until the April elections, thanks to Mayor Nebot's "intimidating leadership." However, he noted that Alvaro Noboa, the billionaire leader of the PRIAN party was so "mercurial and unpredictable" that the union could come crashing down in the coming months.

¶6. (C) PRIAN leaders have been active participants in coordination and strategy sessions among opposition movements, including Noboa's closest advisors Slyka Sanchez and Gloria Gallardo. However, Noboa himself has not participated, leaving his associates feeling exposed. In late November, Noboa told the CG that he did not feel rushed to make any commitments or decisions as "all elections are decided one month before the election." Nevertheless, Constituent Assembly member Vladimir Vargas told the CG that he would definitely run for parliament, "with Alvaro or on another ticket." While Vargas is a native of Guayaquil, he stated that he will run for the Province of Pichincha since he was born there, in an attempt to strengthen PRIAN's profile in the Sierra, or highlands of Ecuador. Sanchez told us that cooperating was the only option for opposition parties. After a bout with life-threatening infection, the feisty Gallardo told the CG that she would fight "the communist (Correa) with all the energy she had left."

¶7. (C) The Patriotic Society Party (PSP) led by former President Lucio Gutierrez and his brother Gilmar has had the most success challenging PAIS in recent elections. Observers also report that they have been the most elusive in conversations with other political parties. Both Gutierrez brothers have pledged to cooperate on developing a winning slate, but their participation in coordinating sessions has been unconvincing. PRIAN and PSC leaders have told us that they expect PSP to run its own slate in most elections.

However, they expected PSP to be open to joining forces in particularly contested areas.

Some Likely Candidates

18. (C) While leaders stress that it is still early, our contacts agree that Jaime Nebot will run for mayor of Guayaquil, facing no candidates from major opposition parties. (PAIS on the other hand is very focused on identifying a strong candidate to challenge Nebot.) Similarly, there is a strong consensus that the opposition parties will field only one candidate to confront what is likely to be a strong PAIS candidate for Prefect of Guayas Province, the most important provincial elected office. At this point Jimmy Jairala of the PRE party is the most likely opposition candidate, but contacts agree that it will all depend on polling and the global picture. Jairala told the CG in November that he was polling stronger than possible PAIS candidates, including the President's sister Pierina Correa, the new Minister for the Coast Nicolas Issa and former television personality and Constituent Assembly member Rolando Panchana. Machala Mayor Falquez (also of the PSC) is likely to be the consensus candidate for Mayor of the southern city, with a non PSC candidate for Prefect. Discussions, polling and jockeying for position are still on-going for the electoral positions in Manabi and Los Rios provinces. PSC Vice Mayor of Portoviejo Veronica Mendoza in Manabi Province, told pol/econoff she was approached by the far-left Movimiento Popular Democratico (MPD) to run for mayor. The current mayor, Patricia Briones, is PSC and according to Mendoza will not seek reelection. Mendoza said that she was surprised to be approached by the MPD, as her politics tend to the center. She guessed that it might be a result of some sort of agreement with PAIS. Complicating matters is that some rural leaders elected as candidates of opposition parties are aiming to run this time under the PAIS banner, in hopes of protecting their positions. However, Pierina Correa, the President's sister and director of PAIS in Guayas Province, told the CG that PAIS was aiming to avoid these 'tainted' candidates. She said that the President has made it clear that he would rather lose some elections than bring in corrupt old faces.

19. (C) Comment: Over the past two years, Ecuadorian opposition parties have struggled to come up with a strategy to confront Correa at the polls. Their strategy to work together and focus on pocketbook issues appears to be the best approach, though the personal nature of Ecuador's political parties complicates matters greatly. Much of the success of the coordinated effort will depend on how much time and money Alvaro Noboa is willing to put into the elections, and if he is willing to play ball with the other parties. In addition, limits on campaign spending will hamstring the opposition. PAIS has been especially adept at linking its potential candidates with public work programs. Further, the government's relentless propaganda campaigns position the government of the "citizens, revolution" on the side of the voter. Perhaps the opposition's greatest hope would be a quick economic downturn. End Comment.

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